

# Commonwealth of Kentucky Personnel Cabinet

Prepared for:  
Kentucky Group Health Insurance Board Members

July 2007

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# Dashboard Report: Based on Incurred Claims. Includes projections for Incurred but not yet reported claims (IBNR or CMPL)

## 1. Enrollment

Fact	Mar 2006 - Feb 2007	Mar 2005 - Feb 2006	% Change
Employees Avg Med	147,334	144,382	2.00%
Members Avg Med	237,385	231,191	2.70%
Family Size Avg	1.6	1.6	0.00%
Member Age Avg	37.6	38.6	-2.70%

## 3. Allowed Claims Costs PMPY with Norms

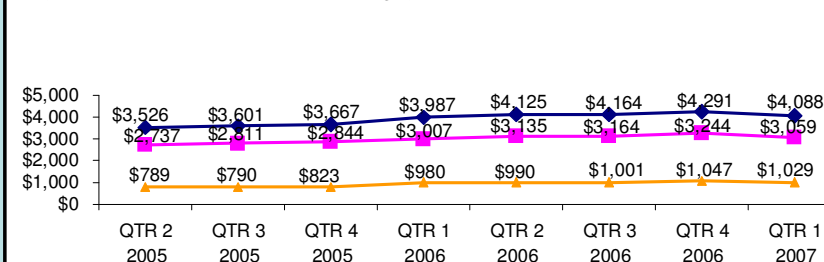
	Mar 2005 - Feb 2006	Mar 2006 - Feb 2007	Trend	Recent US Norm	Comp to Norm
Allow Amt PMPY Med (Cmpl)	\$3,187	\$3,570	12%	\$3,422	4%
Allow Amt PMPY IP Acute (Cmpl)	\$930	\$1,008	8%	N/A	N/A
Allow Amt PMPY OP Med (Cmpl)	\$2,235	\$2,551	14%	\$2,311	9%
Allow Amt PMPY OP Fac Med (Cmpl)	\$1,007	\$1,071	6%	N/A	N/A
Allow Amt PMPY Office Med (Cmpl)	\$797	\$901	13%	\$0	N/A
Allow Amt PMPY OP Lab (Cmpl)	\$148	\$223	51%	\$0	N/A
Allow Amt PMPY OP Rad (Cmpl)	\$309	\$449	45%	\$0	N/A
Out of Pocket PMPY Med (Cmpl)	\$301	\$325	8%	\$598	-84%
Allow Amt PMPY Rx (Cmpl)	\$1,081	\$1,235	14%	\$949	23%
Out of Pocket PMPY Rx (Cmpl)	\$257	\$216	-16%	\$0	N/A

## 6.b. Cost Driver Support Table

Fact	Mar 2005 - Feb 2006	Mar 2006 - Feb 2007	% Change
Allow Amt Per Day Adm Acute	\$2,880.56	\$2,834.12	-1.61%
Days Per 1000 Adm Acute	320.57	343.59	7.18%
Allow Amt Per Visit OP Fac Med	\$689.20	\$644.85	-6.44%
Visits Per 1000 OP Fac Med	1,461.78	1,881.57	13.67%
Allow Amt Per Visit Office Med	\$104.60	\$109.13	4.33%
Visits Per 1000 Office Med	7,623.88	8,259.28	8.33%
Allow Amt Per Day Supply Rx	\$2.19	\$2.22	1.48%
Days Supply PMPY Rx	493.99	556.18	12.59%

## 2. Net Incurred Claims Cost Per Member

(PMPY Costs calculated at the end of each Qtr.)

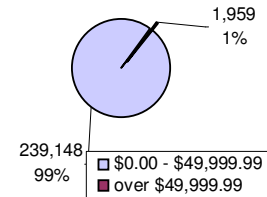


## 5. Prescription Drug Programs

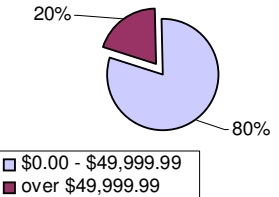
	Fact	Mar 2005 - Feb 2006	Mar 2006 - Feb 2007	% Change
Mail Order	Discount Off AWP % Rx	27.45%	32.27%	17.55%
	Scripts Generic Efficiency Rx	87.09%	91.12%	4.63%
Retail	Discount Off AWP % Rx	28.24%	33.23%	17.65%
	Scripts Generic Efficiency Rx	91.98%	94.38%	2.61%
Total	Discount Off AWP % Rx	28.14%	33.10%	17.64%
	Scripts Generic Efficiency Rx	91.79%	94.26%	2.69%
	Scripts Maint Rx % Mail Order	6.00%	6.12%	1.86%

## 4. High cost Claimants: Mar 2006 - Feb 2007

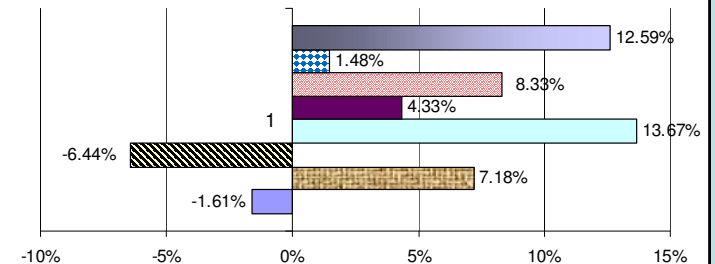
### % of High Cost Patients



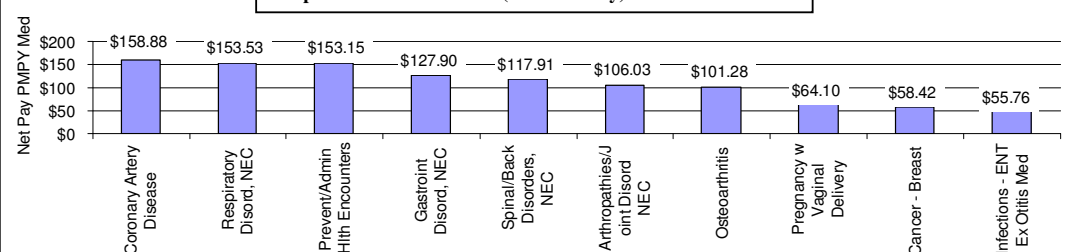
### % of Total Net Payments for Med and Rx



## 6. Cost Drivers: Utilization and Price Trends



## 7. Top 10 Clinical Conditions (Medical Only): Mar 2006 - Feb 2007



## Introduction

The Department for Employee Insurance (DEI) is pleased to provide an analysis of the Kentucky Employees Health Plan. In response to requests for data analysis this report has been prepared to provide information related to enrollment, claims payment, and utilization.

It is the Department's intent to update this information on a monthly basis in an effort to continue to provide current information about Kentucky's Health Insurance Program.

## Overview

This report is compiled using Medstat, which is DEI's health insurance information management system. Medstat warehouses enrollment and claims data. Enrollment data is provided by DEI while claims data is provided by each carrier and/or TPA.

Claims information may be analyzed by either "incurred" or "paid" dates. "Incurred" reports specify paid amounts for claims that were incurred in a specified timeframe. Due to the lag time in submittal and payment of claims, historical reports that are based on incurred claims may change significantly with each new database update since additional incurred claims will be added. "Paid" claims reports specify the paid amount for claims regardless of when the claims may have been incurred. Unless otherwise specified, data contained in this report are based on "incurred" claims.

Enrollment in the KEHP changes on a daily basis due to a variety of reasons such as: new hires, adding dependents, dropping dependents, marriage, divorce, becoming Medicare eligible, etc. Therefore, Medstat is dealing with a fluid enrollment base. Also, each carrier processes claims slightly differently. During 2005 Medstat processed enrollment information for a total of 253,984 members as well as 7,196,140 claims (3,083,368 Medical claims and 4,048,855 prescriptions) from five different carriers. When dealing with such large numbers it is impossible to tag every claim to a corresponding group, carrier, service type, etc. While the tagging rate for the KEHP data exceeds 99%, you may still see information on reports stated as "~Missing". This indicates any enrollment or claims that could not be "tagged" by Medstat.

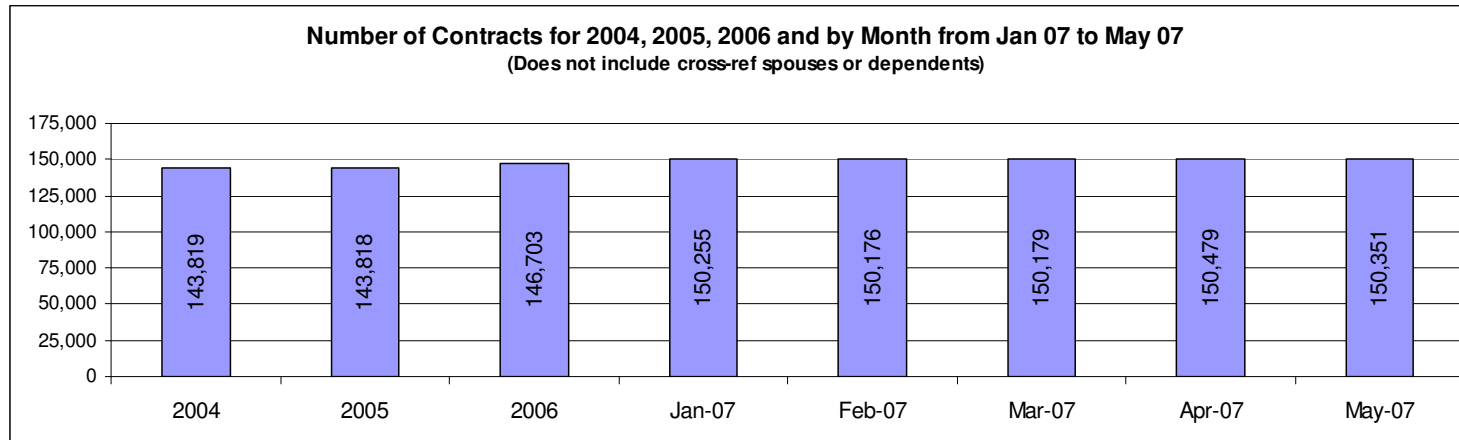
## Definitions

DEI utilized the following definitions in preparing reports:

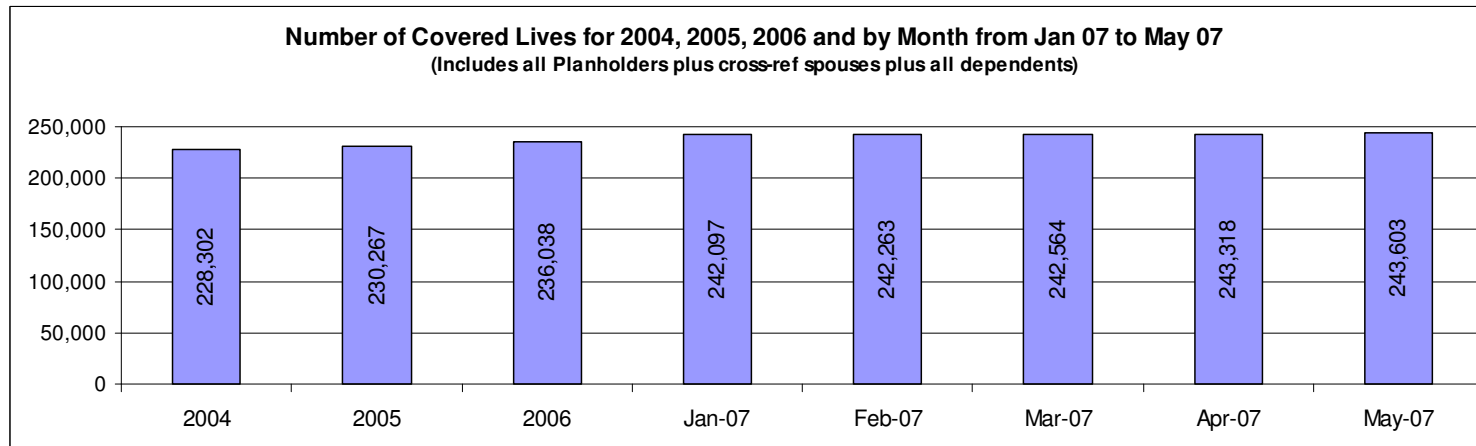
- “Employee” represents an individual eligible to participate in KEHP as a retiree in either KTRS or KRS, or by being employed by one of the agencies that participate with KEHP (example: state employee, school boards, Quasi agency, etc.). Employee may also be referred to as “planholder” or “contracts”. Please note that Medstat deals with Cross-reference plans uniquely. Although there are in fact two “employees” Medstat can only designate the planholder as an employee. Therefore, the cross-referenced spouse is considered a dependent and all claims and utilization data related to them is counted as a “member”.
- “Member” includes all employees plus any dependents that are covered through the KEHP. Members may also be referred to as “covered lives”.
- “Group” is Kentucky Retirement System (KRS), Kentucky Teachers Retirement System (KTRS), State Employees, School Boards, or Other (includes: COBRA, Health Departments, KCTCS, Quasi/Local Governments).
- “Plan” is Commonwealth Essential, Commonwealth Enhanced, Commonwealth Premier, Commonwealth Select, HMO Option A, HMO Option B, POS Option A, POS Option B, PPO Option A, PPO Option B, or EPO Option C.
- “Carrier” may be Aetna, Anthem, Bluegrass Family Health, CHA Health, United Healthcare, or Humana (please note that Express Scripts data is designated as Humana).
- “Generic Efficiency” means the number of prescriptions that are filled with a generic product as a percentage of the total number of prescriptions where a generic is available.
- “OOP” is the amount paid out-of-pocket by the member for facility, professional, and prescription drug services. This generally includes coinsurance, co-payment, and deductible amounts.
- “Allowed Amount” is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.
- “Net Payment” is the net amount paid for all claims. It represents the amount after all pricing guidelines have been applied, and all third party, co-payment, coinsurance, and deductible amounts have been subtracted.
- “Patients” is the unique count of members who received facility, professional, or pharmacy services.
- “Days Supply” is the number of days for which drugs were supplied for prescriptions filled. It represents the number of days of drug therapy covered by a prescription.
- “Mail Order” is computed as any script filled with a “days supply” of more than 30 days, regardless of the physical location where the prescription was filled.
- “Retail” is computed as any script filled with a “days supply” of 30 days or less, regardless of the physical location where the prescription was filled.

## Enrollment

The following details planholder enrollment (contracts) for 2004, 2005, 2006 and monthly year-to-date for 2007. Enrollment will fluctuate on a monthly basis. (Note: There have been approximately 7,000 cross-referenced spouses in any given month that are not included in the following chart.)



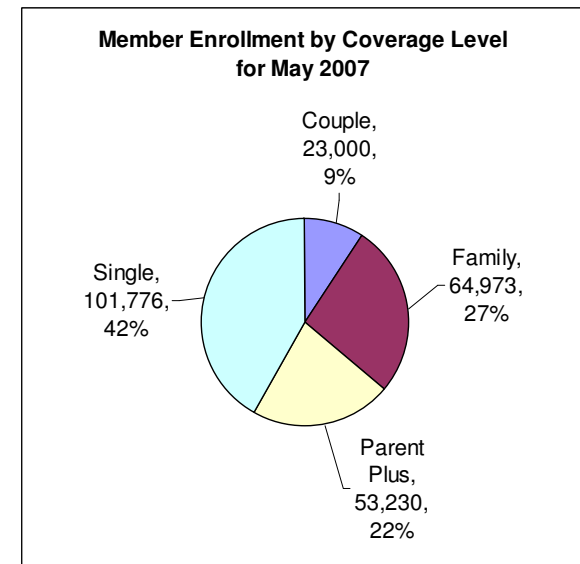
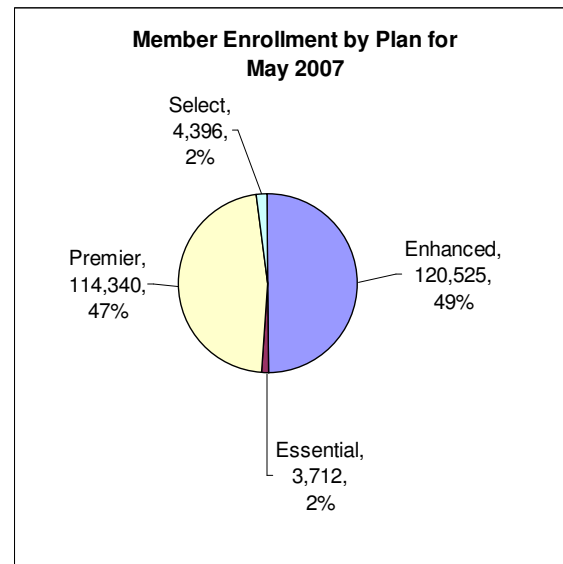
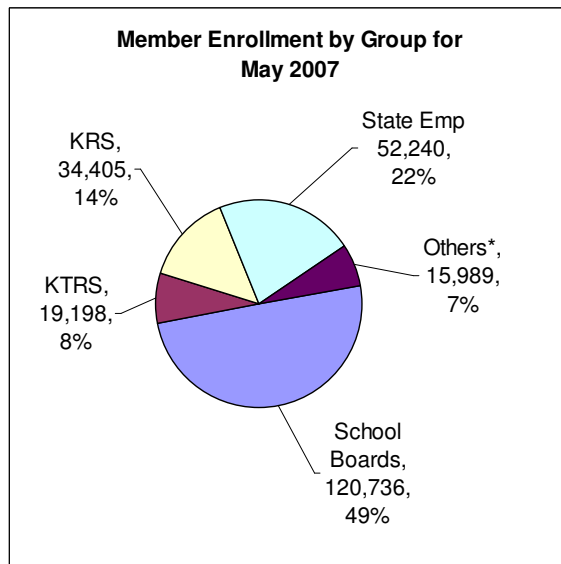
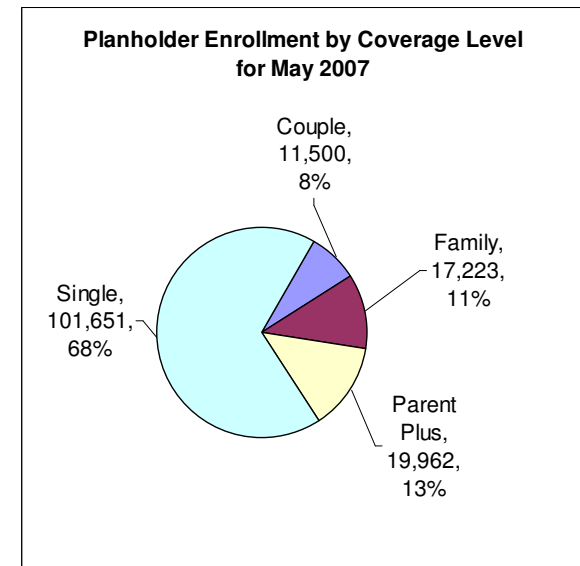
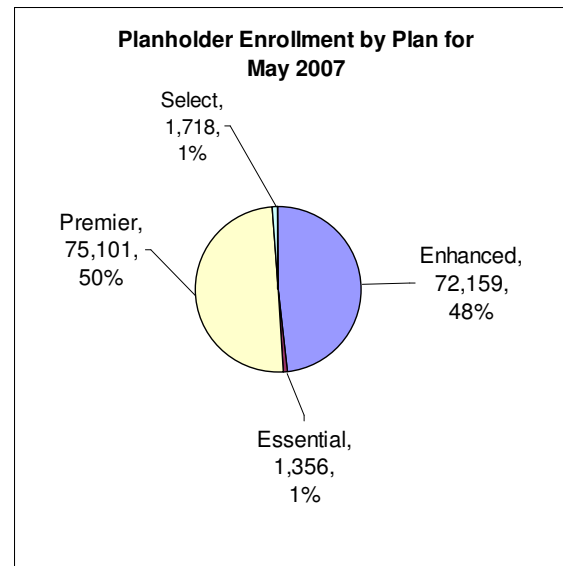
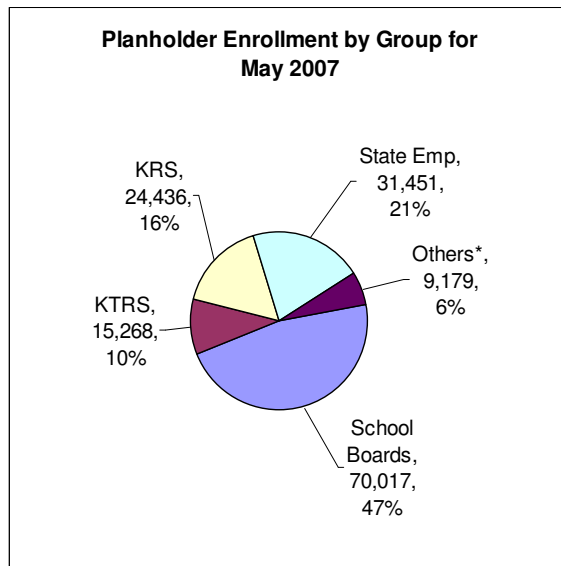
The following details member enrollment (covered lives) for 2004, 2005, 2006 and monthly year-to-date for 2007. Enrollment will fluctuate on a monthly basis.



The following shows the number of cross-reference spouses for 2004, 2005, 2006 and monthly year-to-date for 2007. Number of Cross-Reference Spouses will fluctuate on a monthly basis.

Time Period	Number of Cross-Reference Spouses
Avg - 2004	5,008
Avg - 2005	7,017
Avg - 2006	7,130
Jan-07	7,227
Feb-07	7,217
Mar-07	7,266
Apr-07	7,284
May-07	7,321

The following displays Planholder and Member enrollment by group, plan, and coverage level.

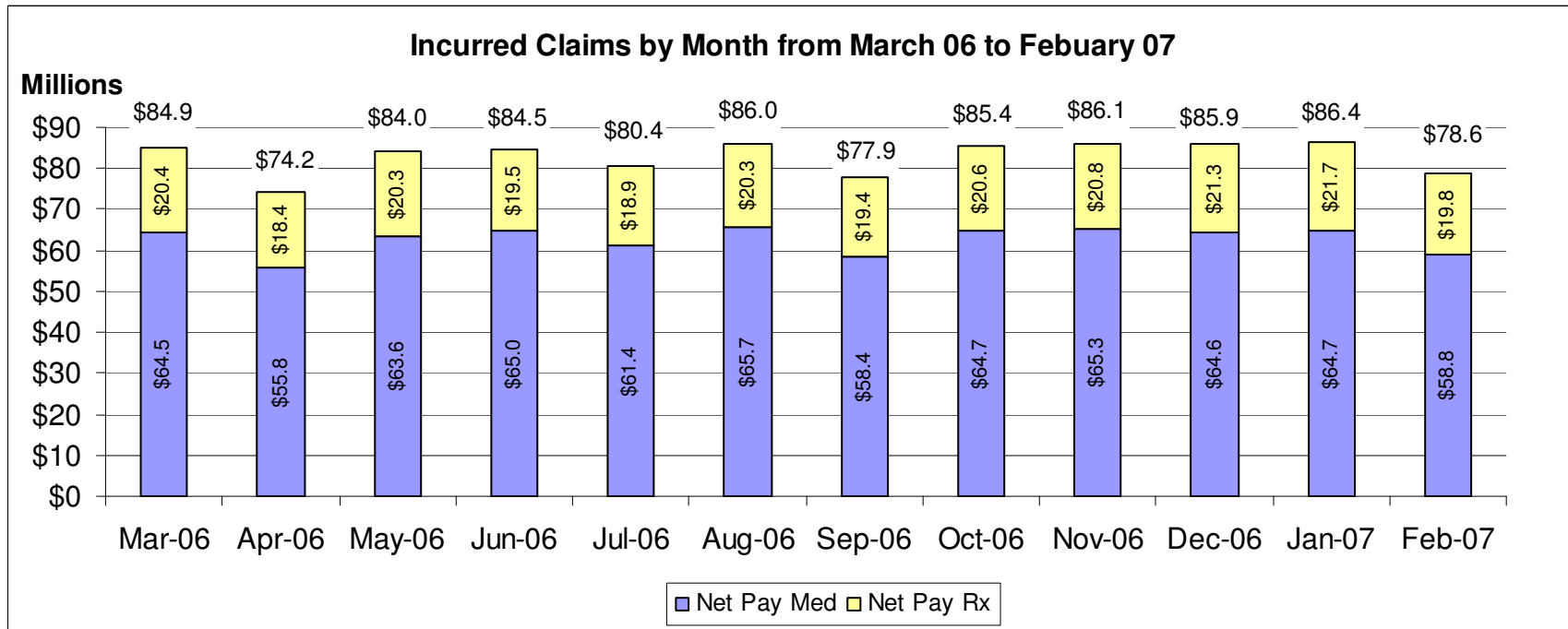


\* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).



## Claims Costs

Claims costs, including Medical and Prescription (Rx) for the most recent rolling year. Based on Incurred Claims.



NOTE: Includes run out data from all Carriers

The following represents incurred medical claims only (does not include Rx) by Group for 2004, 2005, 2006 and monthly year-to-date for 2007.

	School Boards	KTRS	KRS	State Employees	Others	Totals
2004	\$246,135,396	\$70,821,610	\$105,462,079	\$123,071,292	\$44,914,612	\$590,404,988
2005	\$258,740,079	\$80,441,671	\$122,058,942	\$127,040,659	\$43,862,327	\$632,143,678
2006	\$304,345,969	\$93,058,983	\$145,492,083	\$149,613,954	\$48,195,791	\$740,706,780
Jan-07	\$26,902,354	\$8,410,287	\$13,101,005	\$12,342,378	\$3,930,064	\$64,686,088
Feb-07	\$25,509,445	\$6,904,984	\$12,058,406	\$10,647,702	\$3,678,470	\$58,799,006

\* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

The following represents incurred Rx claims only (does not include medical) by Group for 2004, 2005, 2006 and monthly year-to-date for 2007.

	School Boards	KTRS	KRS	State Employees	Others*	Total RX
2004	\$65,360,626	\$24,608,695	\$34,686,761	\$32,457,821	\$11,383,050	\$168,496,952
2005	\$69,891,805	\$27,094,171	\$39,706,608	\$34,310,246	\$11,822,500	\$182,825,330
2006	\$92,666,652	\$35,018,107	\$53,072,300	\$42,788,335	\$13,584,550	\$237,129,944
Jan-07	\$8,511,679	\$3,115,489	\$4,956,350	\$3,820,712	\$1,329,059	\$21,733,289
Feb-07	\$7,886,514	\$2,714,931	\$4,474,676	\$3,469,265	\$1,235,924	\$19,781,311

\* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

The following represents incurred medical claims only (does not include Rx) by Plan for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	Commonwealth Enhanced	Commonwealth Essential	Commonwealth Premier	Commonwealth Select	HMO*	POS*	PPO*	EPO Option C	Missing*	Total
2004	\$247,933	\$96,285	\$389,307	\$0	\$212,909,645	\$40,885,382	\$325,224,613	\$5,524,470	\$5,127,353	\$590,404,988
2005	\$224,051,710	\$5,706,438	\$398,847,631	\$0	\$12,164	\$900	\$179,854	\$70	\$3,344,912	\$632,143,678
2006	\$284,962,551	\$5,181,033	\$446,252,002	\$0	\$0	\$0	\$0	\$0	\$4,311,194	\$740,706,780
Jan-07	\$24,748,472	\$417,398	\$39,019,345	\$219,235	\$0	\$0	\$0	\$0	\$281,637	\$64,686,088
Feb-07	\$22,065,719	\$301,095	\$35,800,933	\$350,758	\$0	\$0	\$0	\$0	\$280,501	\$58,799,006

\*HMO = HMO Option A plus HMO Option B      POS = POS Option A plus POS Option B      PPO= PPO Option A plus PPO Option B

\*Missing means the claims could not be tagged to a specific plan.

The following represents incurred Rx claims only (does not include medical) by plan for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	Commonwealth Enhanced	Commonwealth Essential	Commonwealth Premier	Commonwealth Select	HMO*	POS*	PPO*	EPO Option C	Missing*	Total
2004	\$48,323	\$2,484	\$65,868	\$0	\$58,944,685	\$13,448,392	\$94,468,063	\$678,460	\$840,678	\$168,496,952
2005	\$64,800,801	\$1,344,708	\$115,891,021	\$0	\$12,237	\$3,874	\$21,588	\$496	\$750,605	\$182,825,330
2006	\$86,143,604	\$1,164,589	\$148,783,710	\$0	\$0	\$0	\$0	\$0	\$1,038,041	\$237,129,944
Jan-07	\$8,078,374	\$83,883	\$13,467,643	\$11,377	\$0	\$0	\$0	\$0	\$92,012	\$21,733,289
Feb-07	\$7,434,043	\$74,550	\$12,151,898	\$34,786	\$0	\$0	\$0	\$0	\$86,033	\$19,781,311

\*HMO = HMO Option A plus HMO Option B      POS = POS Option A plus POS Option B      PPO= PPO Option A plus PPO Option B

\*Missing means the claims could not be tagged to a specific plan.

The following represents incurred medical claims only (does not include Rx) by Carrier for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	Anthem	Bluegrass Family Health	CHA Health	Humana	United Healthcare	~Missing*	Total
2004	\$64,888	\$224,118,842	\$139,136,810	\$221,785,746	\$171,350	\$5,127,353	\$590,404,988
2005	\$90,491,166	\$227,102,575	\$118,815,005	\$658,050	\$191,732,777	\$3,344,105	\$632,143,678
2006	\$12,159	\$112,793	\$11,055	\$736,250,253	\$11,495	\$4,309,025	\$740,706,780
Jan-07	\$0	\$0	\$0	\$64,404,451	\$0	\$281,637	\$64,686,088
Feb-07	\$0	\$0	\$0	\$58,518,506	\$0	\$280,501	\$58,799,006

\*Missing means the claims could not be tagged to a specific Carrier.

The following represents incurred Rx claims only (does not include medical) by Carrier for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	Anthem	Bluegrass Family Health	CHA Health	Humana	United Healthcare	~Missing*	Total
2004	\$6,069	\$61,151,919	\$42,440,358	\$64,026,726	\$31,202	\$840,678	\$168,496,952
2005	\$28,614,944	\$67,409,177	\$33,782,823	\$78,274	\$52,189,529	\$750,583	\$182,825,330
2006	\$13,187	\$35,075	\$18,865	\$236,006,152	\$18,796	\$1,037,868	\$237,129,944
Jan-07	\$0	\$0	\$0	\$21,641,287	\$0	\$92,002	\$21,733,289
Feb-07	\$0	\$0	\$0	\$19,695,283	\$0	\$86,028	\$19,781,311

\*Missing means the claims could not be tagged to a specific Carrier.

The following represents incurred medical claims only (does not include Rx) by Coverage Level for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$79,153,612	\$103,816,354	\$86,064,075	\$316,243,594	\$5,127,353	\$590,404,988
2005	\$87,258,666	\$118,827,302	\$89,294,800	\$333,418,414	\$3,344,496	\$632,143,678
2006	\$104,867,605	\$140,551,220	\$103,062,173	\$387,916,756	\$4,309,025	\$740,706,780
Jan-07	\$8,735,179	\$12,367,121	\$9,043,570	\$34,258,582	\$281,637	\$64,686,088
Feb-07	\$8,816,985	\$11,178,444	\$8,446,690	\$30,076,387	\$280,501	\$58,799,006

\* Unable to tag claims to a specific coverage level.

The following represents incurred Rx claims only (does not include Medical) by Coverage Level for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$25,936,162	\$29,646,678	\$19,041,619	\$93,031,815	\$840,678	\$168,496,952
2005	\$28,909,054	\$34,190,171	\$19,157,715	\$99,817,506	\$750,884	\$182,825,330
2006	\$38,224,256	\$43,800,540	\$25,936,147	\$128,131,133	\$1,037,868	\$237,129,944
Jan-07	\$3,475,117	\$3,983,544	\$2,483,607	\$11,699,020	\$92,002	\$21,733,289
Feb-07	\$3,185,685	\$3,615,792	\$2,336,198	\$10,557,608	\$86,028	\$19,781,311

\* Unable to tag claims to a specific coverage level.

## Medical Claims Utilization

The following is based on medical claims (does not include Rx) incurred from January 2007 through February 2007. (Note: Services are tracked by each service, not by each visit. Therefore if two laboratory services are performed at one visit, it will count as two services.)

Plan	Admits Per 1000 Acute	Admits Per 1000 Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days LOS Admit Acute	Days LOS Admit Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days Per 1000 Adm Acute	Days Per 1000 Adm Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}
Commonwealth Enhanced	68.98	68.4	0.84%	3.6	3.58	0.73%	248.56	283.48	-12.32%
Commonwealth Essential	59.43	58.17	2.16%	3.95	3.28	20.22%	234.51	242.82	-3.42%
Commonwealth Premier	99.77	76.8	29.91%	4.25	3.92	8.42%	424.01	336.97	25.83%
Commonwealth Select	48.41	54.65	-11.41%	2.88	3.38	-14.78%	139.36	219.34	-36.46%
Total	276.59	258.02	6.71%	14.68	14.16	3.54%	1046.44	1082.61	-3.45%

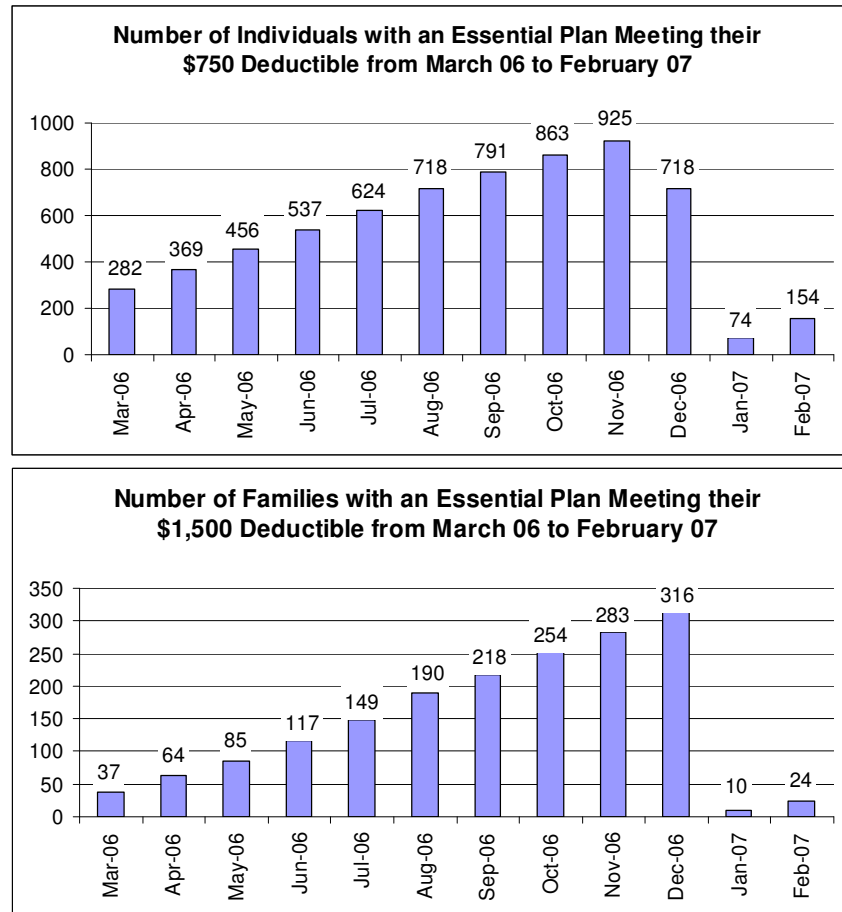
Plan	Visits Per 1000 Office Med	Visits Per 1000 Office Med {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Visits Per 1000 ER	Visits Per 1000 ER {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Svcs Per 1000 OP Lab	Svcs Per 1000 OP Lab {Rcnt US}	%Diff from {Rcnt US}	Svcs Per 1000 OP Rad	Svcs Per 1000 OP Rad {Rcnt US}	%Diff from {Rcnt US}
Commonwealth Enhanced	7,470.27	7,206.99	3.65%	189.82	186.25	1.92%	7,107.69	6,019.67	18.07%	2,412.97	2,042.99	18.11%
Commonwealth Essential	3,734.44	6,499.10	-42.54%	187.93	183.47	2.43%	4,262.88	5,194.23	-17.93%	1,222.33	1,700.62	-28.12%
Commonwealth Premier	9,660.00	7,999.68	20.75%	219.09	184.86	18.52%	9,833.34	6,893.34	42.65%	3,498.42	2,458.57	42.29%
Commonwealth Select	4,896.82	6,327.02	-22.60%	112.96	183.53	-38.45%	4,550.61	4,899.84	-7.13%	1,549.14	1,587.78	-2.43%
Total	25761.53	28032.79	-8.81%	709.8	738.11	-3.98%	25754.52	23007.08	10.66%	8682.86	7789.96	10.28%

\*Missing means the claims could not be tagged to a specific plan.

## Analysis of Individuals and Families meeting their Deductible

The following details the number of individuals and families by plan, meeting their deductible amounts for the most recent rolling year. The report is based on incurred claims.

### Essential

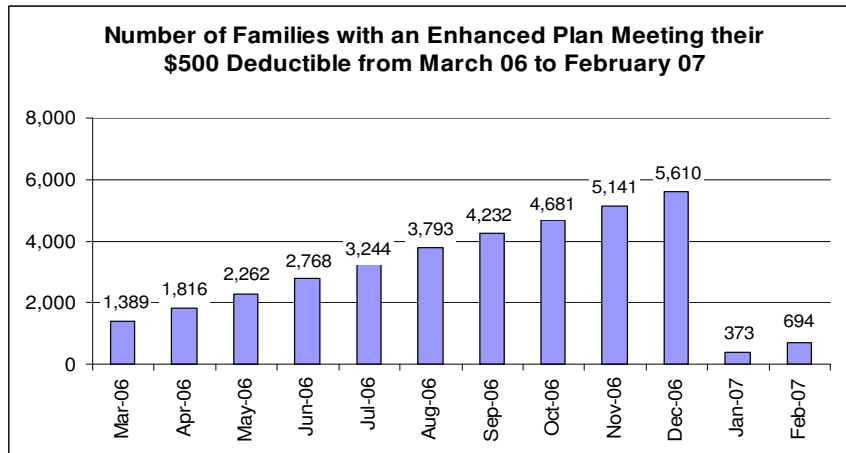
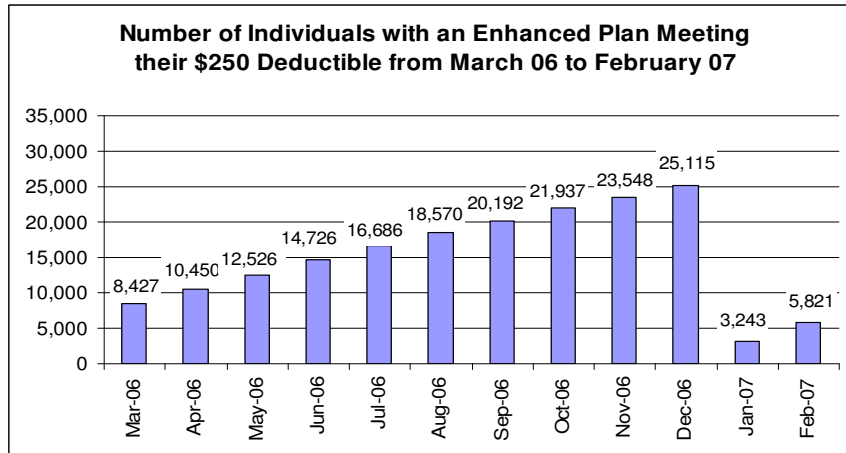


2005 Essential: A total of 18.63% of Individuals and 12.38% of Families met their deductibles.

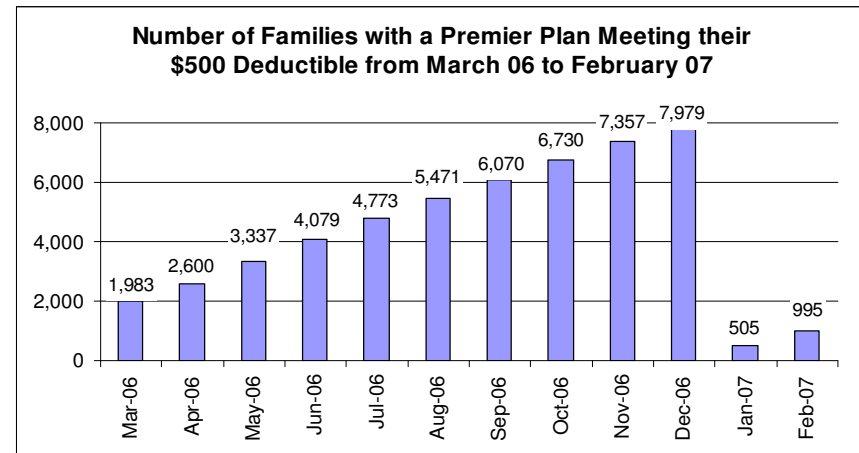
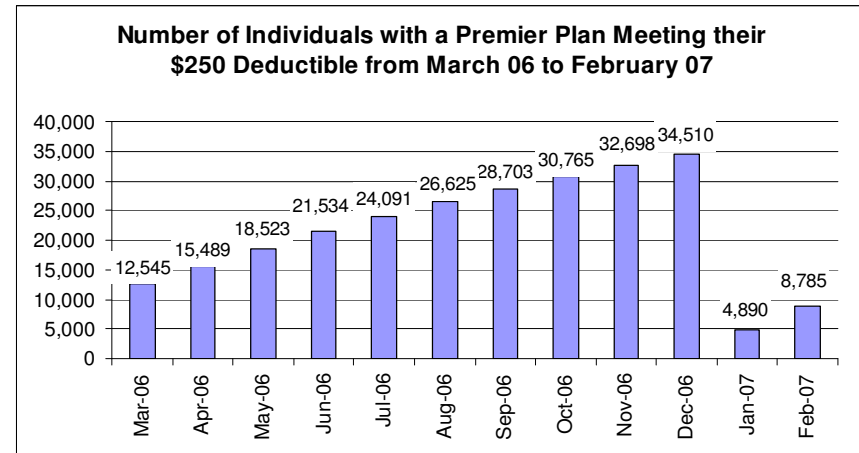
2006 Essential: A total of 22.05% of Individuals and 16.96% of Families met their deductibles.

During 2007, a total of 4.12% of Individuals and 2.17% of Families met their Essential Deductibles.

### Enhanced



### Premier

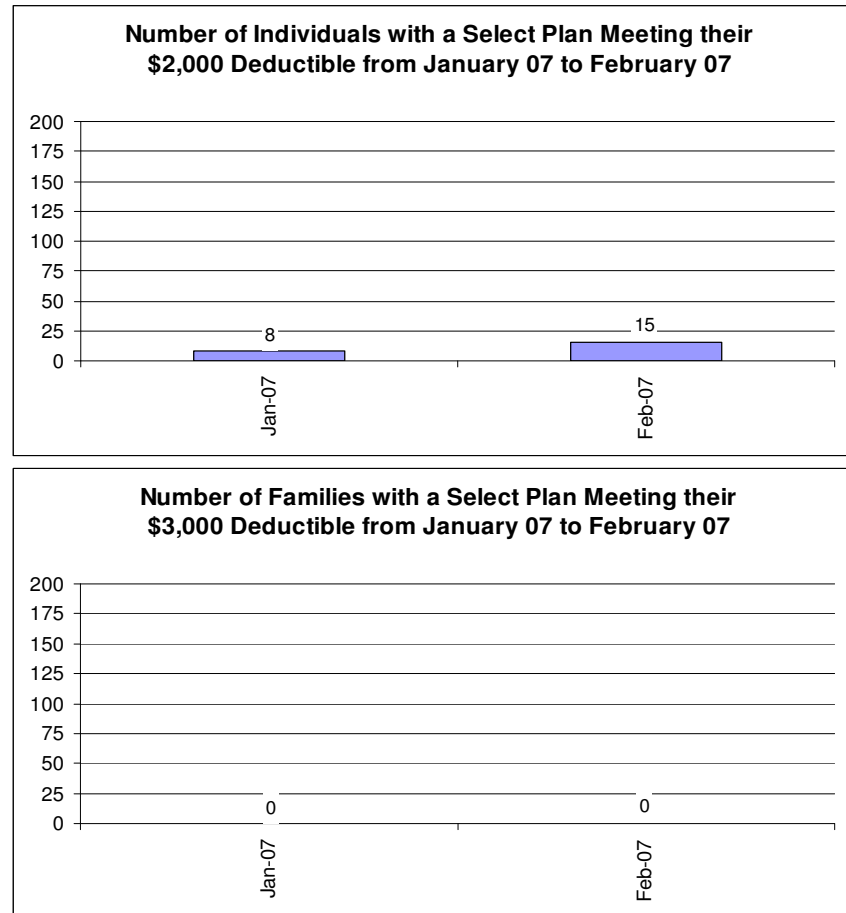


2005 Enhanced: A total of 19.36% of Individuals and 5.01% of Families met their deductibles.  
 2006 Enhanced: A total of 21.43% of Individuals and 7.76% of Families met their deductibles.  
 During 2007, a total of 4.87% of Individuals and 1.17% of Families met their Enhanced Deductibles.

2005 Premier: A total of 27.85% of Individuals and 6.93% of Families met their deductibles.  
 2006 Premier: A total of 30.26% of Individuals and 10.28% of Families met their deductibles.  
 During 2007, a total of 7.66% of Individuals and 1.47% of Families met their Premier Deductibles.



### Select



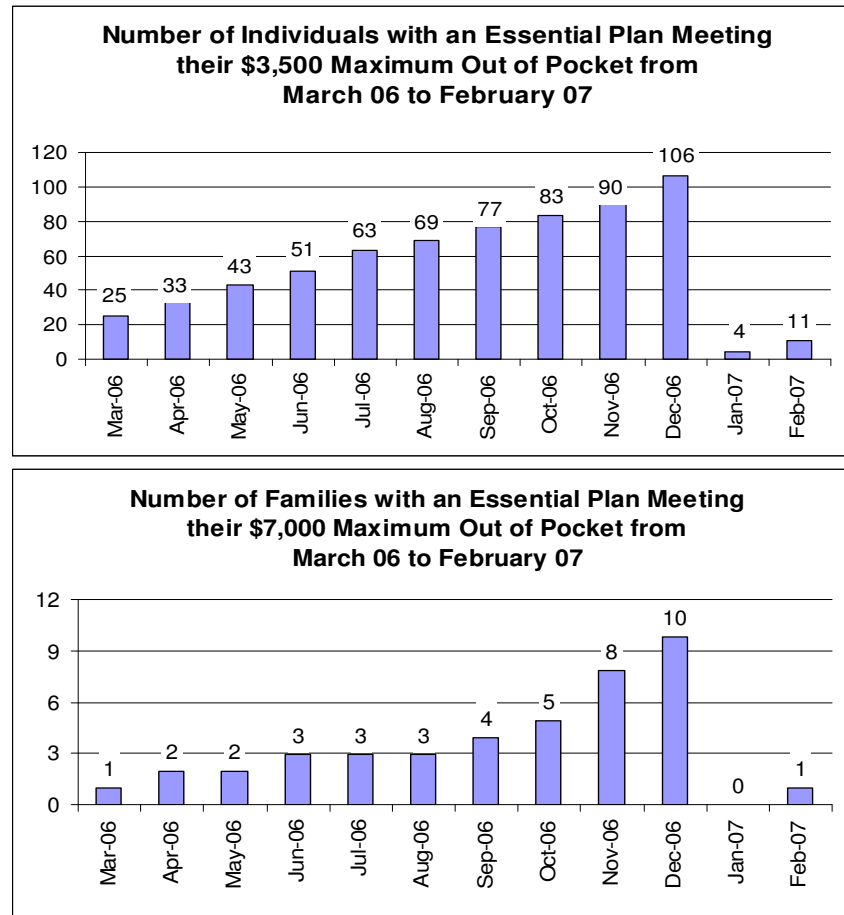
A total of 0.37% of Individuals and 0% of families with Select Plans met their Select Deductibles.

*Note: The Select Plan deductible consists of medical costs only. Rx costs are part of the Max Out of Pocket (MOP).*

## Analysis of Individuals and Families meeting their Maximum Out of Pocket expenses.

The following details the number of individuals and families by plan, meeting their maximum out of pocket (MOP) amounts for the most recent rolling year. The report is based on incurred claims.

### Essential

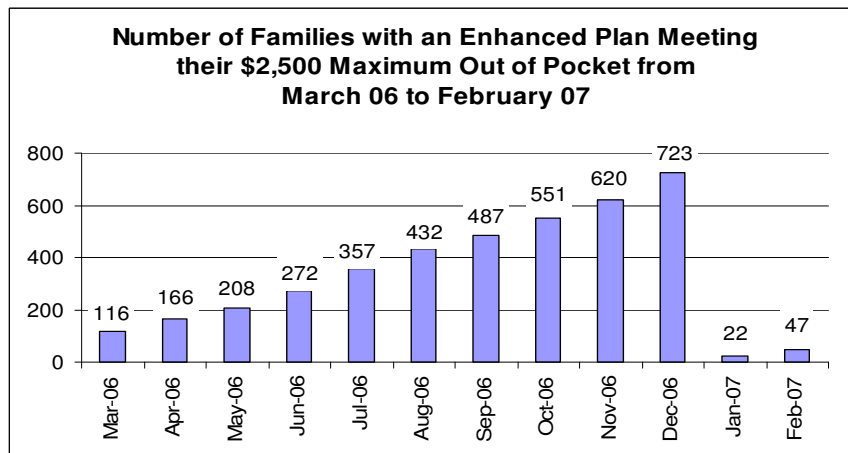
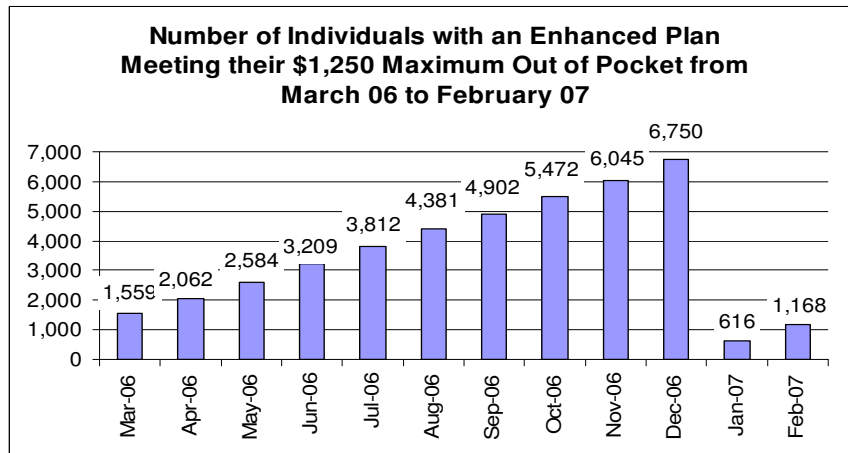


2005 Essential: A total of 1.14% of Individuals and 0.24% of Families met their MOPs.

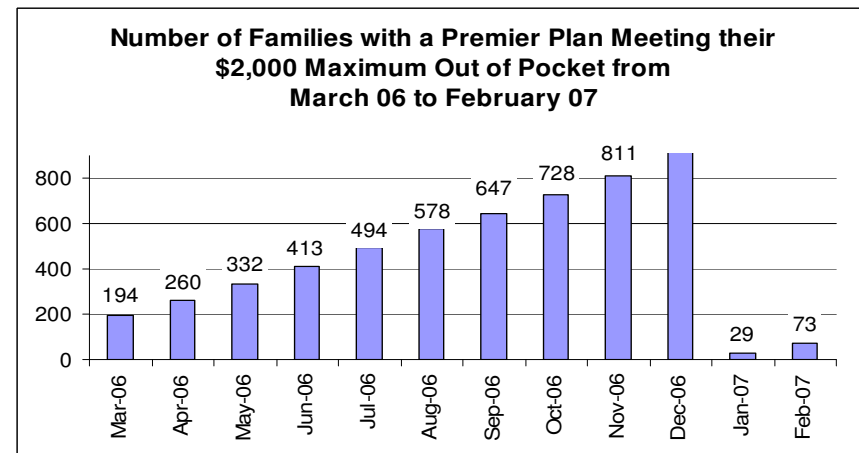
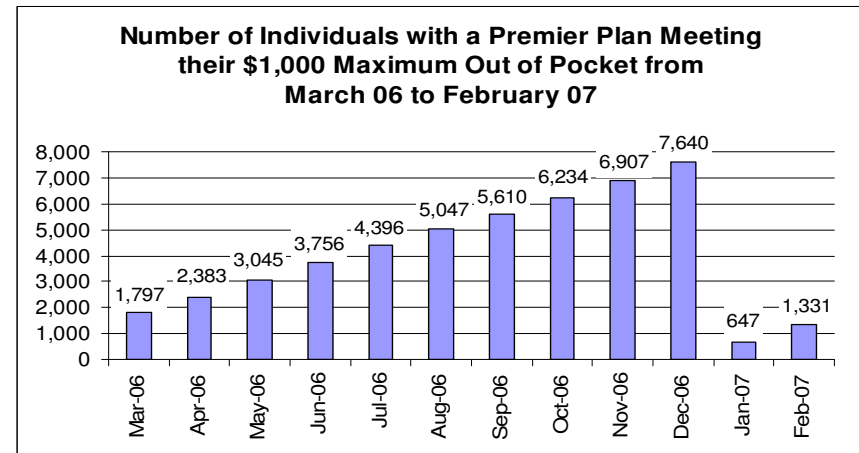
2006 Essential: A total of 2.36% of Individuals and 0.54% of Families met their MOPs.

During 2007, a total of 0.29% of Individuals and 0.09% of Families met their Essential MOPs.

### Enhanced



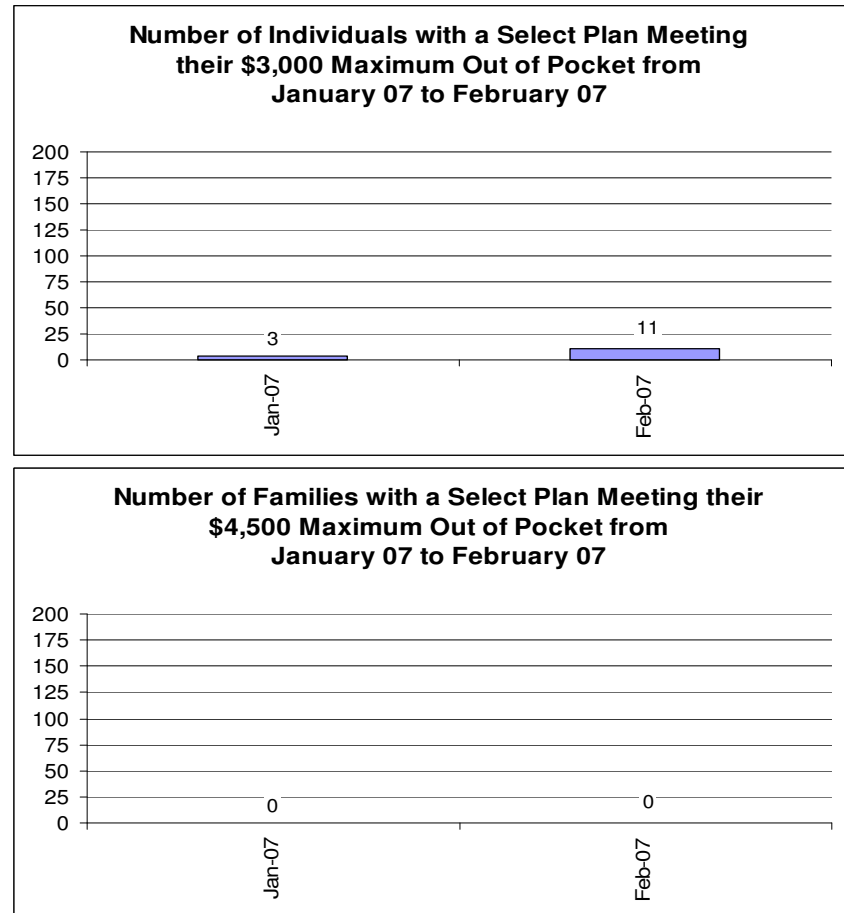
### Premier



2005 Enhanced: A total of 3.34% of Individuals and 0.50% of Families met their MOPs.  
 2006 Enhanced: A total of 5.76% of Individuals and 0.99% of Families met their MOPs.  
 During 2007, a total of 0.98% of Individuals and 0.08% of Families met their Enhanced MOPs.

2005 Premier: A total of 3.38% of Individuals and 0.55% of Families met their MOPs.  
 2006 Premier: A total of 6.69% of Individuals and 1.17% of Families met their MOPs.  
 During 2007, a total of 1.16% of Individuals and 0.11% of Families met their Premier MOPs.

### Select



A total of 0.27% of individuals and 0% of families with Select Plans met their MOPs.

*Note: For the Select Plan only, prescription drug coinsurance amounts are included in MOP totals.*

## Premium (or Premium Equivalent)

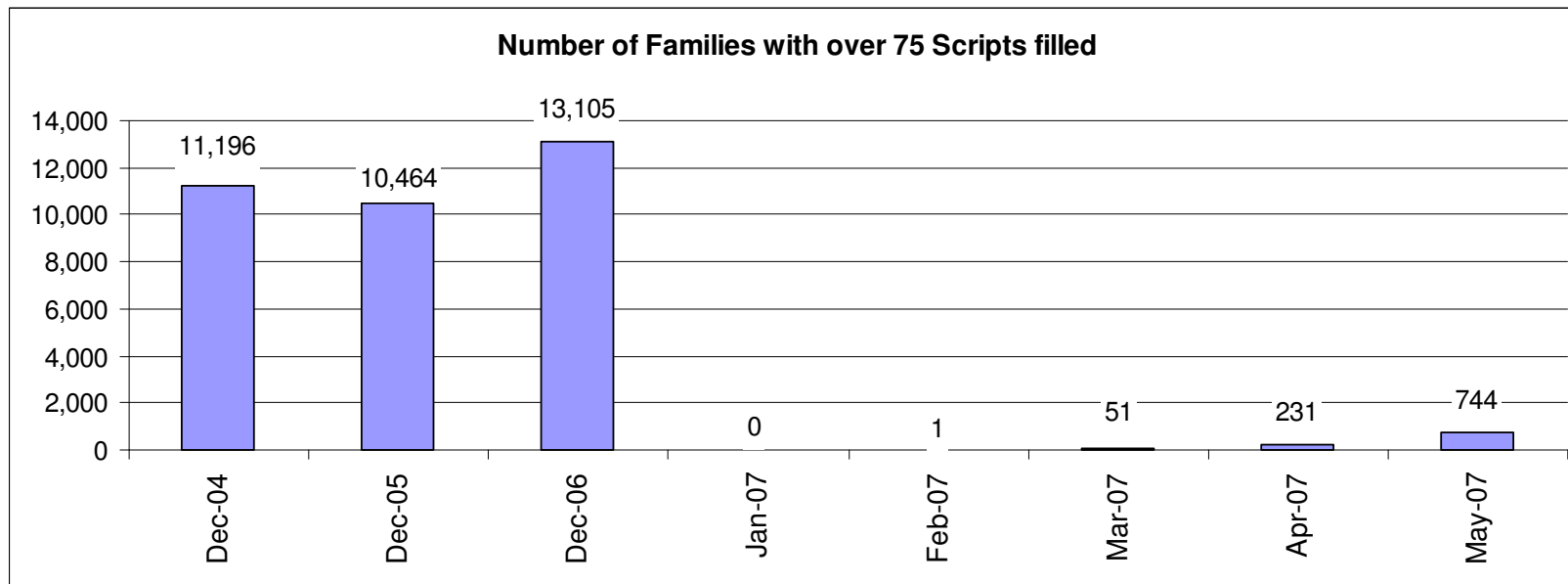
The following details the amount of premium (or premium equivalent) paid by the employee and employer for 2005, 2006, and monthly year-to-date for 2007.

Time Period	Employee Premium Amount	Employer Premium Amount	Total Premium Amount
2005	\$148,029,637	\$779,647,097	\$927,676,733
2006	\$153,787,780	\$948,458,338	\$1,102,246,118
Jan-07	\$14,016,671	\$80,542,856	\$94,559,527
Feb-07	\$14,044,597	\$80,471,968	\$94,516,565
Mar-07	\$13,794,423	\$80,762,937	\$94,557,360
Apr-07	\$13,833,486	\$80,943,164	\$94,776,651
May-07	\$13,847,690	\$80,934,413	\$94,782,103

***NOTE: Premium (or premium equivalent) is based on enrollment using published premium rates – it is NOT based on actual payments received.***

## Prescription Drug Utilization

The following details the number of families that have purchased 75 scripts or more during 2004, 2005, 2006 and monthly year-to-date for 2007. After a family has filled 75 prescriptions, via retail purchase, the co-payment is reduced to \$10 for 2<sup>nd</sup> tier and \$20 for 3<sup>rd</sup> tier.



*Note: This benefit exists only for Commonwealth Enhanced and Commonwealth Premier plans and does not include Mail Order drugs.*

Summary of plan impact for families who have met the 75(+) scripts benefit January through May 2007

Script Count, per Family	Number of Families	Number of Scripts	Avg. # of Scripts per Patient	Avg. Net Payment per Script	Net Payments For All Scripts
0-74	129,674	1,888,267	10.21	\$49.61	\$93,671,796.12
75 (+)	744	67,088	39.44	\$63.02	\$4,228,065.82
Total	130,418	1,955,355	10.48	\$50.07	\$97,899,861.94

*Note: This benefit exists only for Commonwealth Enhanced and Commonwealth Premier plans and does not include Mail Order drugs.*

The following details the type of prescription filled, the % that were generic, and the generic efficiency rate for the most recent rolling year. The generic percentage rate and generic efficiency rate increased in 2006. Based on Incurred claims.

	Generic	Brand Name, Generic Available	Brand Name	Other*	Total	Scripts Rx % Generic	Scripts Generic Efficiency Rx
Mar-06	214,745	14,534	168,543	7,961	405,783	52.92%	93.66%
Apr-06	187,909	12,891	147,425	6,752	354,977	52.94%	93.58%
May-06	206,443	13,765	160,028	8,173	388,409	53.15%	93.75%
Jun-06	198,952	13,306	150,829	7,945	371,032	53.62%	93.73%
Jul-06	195,470	12,952	141,764	15,023	365,209	53.52%	93.79%
Aug-06	207,480	13,212	145,731	20,477	386,900	53.63%	94.01%
Sep-06	211,885	12,365	139,310	15,597	379,157	55.88%	94.49%
Oct-06	227,318	13,257	146,146	13,387	400,108	56.81%	94.49%
Nov-06	235,035	13,219	144,202	11,512	403,968	58.18%	94.68%
Dec-06	241,614	13,275	147,281	13,773	415,943	58.09%	94.79%
Jan-07	249,209	13,552	154,989	14,877	432,627	57.60%	94.84%
Feb-07	222,758	12,007	139,843	15,086	389,694	57.16%	94.89%

\*Includes: Over the Counter (usually includes items such as diabetic supplies, syringes, and test strips, etc.), Other/Unavailable or Missing (unable to tag to a specific group).

The following details the number of members and patients utilizing prescription benefits and the associated costs for the most recent rolling year. Based on Incurred claims.

	Members	Patients	Scripts	Scripts Per Member	Scripts Per Patient	Allow Amt Per Script*	Net Pay Per Script	Average out of pocket cost per member	Average out of pocket cost per patient
Mar-06	234,241	151,911	405,783	1.73	3.09	\$61.87	\$50.24	\$20.16	\$31.09
Apr-06	234,589	142,260	354,977	1.51	2.92	\$63.68	\$51.94	\$17.77	\$29.30
May-06	234,695	147,227	388,409	1.65	3.07	\$63.96	\$52.33	\$19.24	\$30.67
Jun-06	234,830	145,627	371,032	1.58	3.02	\$63.94	\$52.53	\$18.04	\$29.08
Jul-06	235,112	145,271	365,209	1.55	3.00	\$63.01	\$51.86	\$17.33	\$28.04
Aug-06	233,040	148,234	386,900	1.66	3.07	\$63.36	\$52.48	\$18.07	\$28.40
Sep-06	233,806	145,317	379,157	1.62	3.02	\$61.90	\$51.29	\$17.20	\$27.68
Oct-06	238,697	151,641	400,108	1.67	3.09	\$62.05	\$51.53	\$17.63	\$27.76
Nov-06	239,513	154,518	403,968	1.68	3.07	\$61.84	\$51.54	\$17.36	\$26.91
Dec-06	239,277	153,346	415,943	1.73	3.11	\$61.40	\$51.33	\$17.52	\$27.33
Jan-07	241,464	158,010	432,627	1.79	3.15	\$61.23	\$50.24	\$19.10	\$29.18
Feb-07	241,625	152,490	389,694	1.61	2.95	\$61.67	\$50.76	\$17.11	\$27.12

\* "Allow Amt" is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.



The following top 25 drug analysis is based on Rx claims incurred January through February 2007.

Note: DAW stands for "Dispensed As Written"

Product Name*	Brand/ Generic	Therapeutic Class	Total Rx Payments	Net Pay Rx as % of All Drugs	Number of Scripts	Net Pay Per Day Supply Rx	# of members receiving an RX	Number of Rx DAW	Net Pay Per Rx DAW
NEXIUM	Single Source Brand	Gastro-intestinal Drugs	\$1,219,819.24	100.00%	7,649	\$4.55	4,878	43	\$283.82
SINGULAIR	Single Source Brand	Unclassified Agents	\$905,625.21	100.00%	10,001	\$2.64	6,756	28	\$198.26
PREVACID	Single Source Brand	Gastrointestinal Drugs	\$807,859.54	100.00%	4,856	\$4.77	3,087	21	\$285.75
ENBREL	Single Source Brand	Unclassified Agents	\$784,837.51	100.00%	415	\$54.26	269	2	\$2,565.05
CRESTOR	Single Source Brand	Cardiovascular Agents	\$730,494.65	100.00%	8,785	\$2.41	5,648	30	\$128.14
EFFEXOR-XR	Single Source Brand	Central Nervous System	\$708,163.32	100.00%	5,456	\$3.87	3,315	30	\$192.45
VYTORIN	Single Source Brand	Cardiovascular Agents	\$683,317.03	100.00%	7,936	\$2.40	5,133	45	\$140.10
TOPAMAX	Single Source Brand	Central Nervous System	\$626,021.04	100.00%	2,685	\$7.20	1,723	15	\$335.53
SERTRALINE HYDRO-CHLORIDE	Generic for Zoloft	Central Nervous System	\$531,532.85	0.00%	8,309	\$1.94	5,366	25	\$64.42
AVANDIA	Single Source Brand	Hormones & Synthetic Subst	\$525,828.10	100.00%	3,415	\$4.37	2,125	7	\$243.50
ACTOS	Single Source Brand	Hormones & Synthetic Subst	\$502,582.60	100.00%	3,048	\$4.73	1,901	24	\$264.70
LEXAPRO	Single Source Brand	Central Nervous System	\$473,552.99	100.00%	6,907	\$2.07	4,469	41	\$110.06
SIMVASTATIN	Generic for Zocor	Cardiovascular Agents	\$448,921.68	0.00%	17,042	\$0.75	10,808	79	\$21.51
LEVAQUIN	Single Source Brand	Anti-Infective Agents	\$447,067.52	100.00%	4,736	\$10.55	4,301	1	\$63.87
PROTONIX	Single Source Brand	Gastrointestinal Drugs	\$444,305.63	100.00%	4,050	\$3.18	2,571	20	\$196.77
CYMBALTA	Single Source Brand	Central Nervous System	\$440,446.12	100.00%	3,557	\$3.79	2,213	13	\$260.73
LOTREL	Single Source Brand	Cardiovascular Agents	\$395,932.24	100.00%	4,452	\$2.58	2,684	14	\$177.69
TRICOR	Single Source	Cardio-vascular	\$392,742.90	100.00%	4,167	\$2.69	2,611	15	\$173.13

	Brand	Agents							
HUMIRA	Single Source Brand	Immuno-suppressants	\$385,209.31	100.00%	210	\$51.96	132	N/A	N/A
PLAVIX	Single Source Brand	Blood Form/Coagul Agents	\$366,931.26	100.00%	3,025	\$3.62	1,973	172	\$130.77
ADVAIR DISKUS 250/50	Single Source Brand	Hormones & Synthetic Subst	\$359,106.67	100.00%	2,042	\$5.21	1,623	6	\$355.00
ZYRTEC	Single Source Brand	Antihist.& Comb.	\$356,183.20	100.00%	9,504	\$1.13	6,898	31	\$82.72
ZETIA	Single Source Brand	Cardiovascular Agents	\$355,563.78	100.00%	4,528	\$2.23	2,859	28	\$108.39
OMNICEF	Single Source Brand	Anti-Infective Agents	\$350,149.95	100.00%	4,527	\$7.82	4,316	1	\$78.32
AZITHROMYCIN	Generic for Zithromax	Anti-Infective Agents	\$342,534.49	0.00%	18,272	\$3.80	16,959	4	\$18.50

\*"Product Name" includes all strengths/formulations of a drug.

In summary the top 25 drugs represent over 18% of the total scripts and over 32% of total Rx expenditures.

Summary	Total Rx Payments	Number of Scripts	Days Supply Rx
Top Drugs	\$13,584,729	149,574	4,366,868
All Product Names	\$41,514,600	822,321	22,594,611
Top Drugs as Pct of All Drugs	32.72%	18.19%	19.33%

## Utilization

The top 25 clinical conditions based on “incurred claims” for January through February 2007 are detailed below. (Note: Total Medical Payments represents only the payments made for the specified condition.)

	Clinical Conditions	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members	Number of Patients	Net Pay Per Patient Medical
1	Signs/Symptoms/Oth Cond, NEC	\$7,578,687	\$1,206,839	\$6,238,751	2.77	6.92	359.58	11.62	20,179	\$375.57
2	Coronary Artery Disease	\$6,205,627	\$3,784,564	\$2,420,286	4.63	3.49	68.03	3.02	2,533	\$2,449.91
3	Respiratory Disord, NEC	\$6,158,442	\$1,714,455	\$4,433,257	3.27	2.89	127	16.35	6,906	\$891.75
4	Prevent/Admin Hlth Encounters	\$5,968,925	\$32,798	\$5,935,193	0.07	1	618.33	0.62	30,811	\$193.73
5	Gastroint Disord, NEC	\$4,979,818	\$934,723	\$4,043,074	2.4	4.15	162.55	16.6	7,975	\$624.43
6	Spinal/Back Disorders, NEC	\$4,474,580	\$921,091	\$3,553,344	1.19	2.27	651.88	4.88	10,373	\$431.37
7	Arthropathies/Joint Disord NEC	\$3,956,641	\$175,731	\$3,768,698	0.3	2.58	720.8	6.89	14,999	\$263.79
8	Osteoarthritis	\$3,788,059	\$2,336,669	\$1,450,944	2.97	3.29	170.65	0.25	4,739	\$799.34
9	Infections - ENT Ex Otitis Med	\$2,785,742	\$46,151	\$2,738,916	0.42	3.18	789.85	12.11	28,576	\$97.49
10	Pregnancy w Vaginal Delivery	\$2,625,010	\$2,607,838	\$17,172	6.12	2.53	0.69	0.02	462	\$5,681.84
11	Cancer - Breast	\$2,481,892	\$77,890	\$2,404,003	0.4	4.81	52.37	0.07	1,006	\$2,467.09
12	Chemotherapy Encounters	\$2,240,317	\$584,360	\$1,655,957	0.45	7.39	2.38	0	177	\$12,657.16
13	Renal Function Failure	\$1,950,117	\$290,327	\$1,634,666	0.47	5.16	12.46	0.4	604	\$3,228.67
14	Cholecystitis/Cholelithiasis	\$1,771,723	\$380,795	\$1,390,927	1.14	3.52	7.01	1.31	486	\$3,645.52
15	Hypertension, Essential	\$1,658,281	\$279,749	\$1,377,426	0.55	3.59	315.76	1.88	12,756	\$130.00
16	Newborns, w/wo Complication	\$1,614,231	\$1,558,542	\$55,690	8.82	3.53	4.39	0.07	547	\$2,951.06

	Clinical Conditions	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members	Number of Patients	Net Pay Per Patient Medical
17	Condition Rel to Tx - Med/Surg	\$1,611,704	\$1,168,348	\$436,718	2.11	5.76	5.77	1.61	569	\$2,832.52
18	Gynecological Disord, NEC	\$1,597,156	\$225,717	\$1,371,439	0.79	1.91	83.32	1.11	4,293	\$372.04
19	Diabetes	\$1,568,033	\$491,826	\$1,074,659	1.14	6.3	193.84	1.41	7,473	\$209.83
20	Infec/Inflam - Skin/Subcu Tiss	\$1,560,980	\$330,430	\$1,230,250	1.07	4.67	232.39	3.39	8,296	\$188.16
21	ENT Disorders, NEC	\$1,503,372	\$23,732	\$1,479,584	0.1	1.5	606.81	2.75	10,117	\$148.60
22	Nutritional Disorders, NEC	\$1,452,253	\$168,457	\$1,282,840	0.74	2.43	200.31	1.76	10,896	\$133.28
23	Hernia/Reflux Esophagitis	\$1,431,148	\$320,913	\$1,110,155	0.74	4.67	53.19	0.94	2,592	\$552.14
24	Infections - Respiratory, NEC	\$1,360,976	\$218,767	\$1,141,726	0.94	2.29	291.13	8.3	11,493	\$118.42
25	Urinary Tract Calculus	\$1,268,396	\$138,259	\$1,130,137	0.74	1.73	15.24	3.64	646	\$1,963.46

\*Based on ICD-9 codes that could not be attributed to any other condition.

In summary the top 25 clinical conditions represent over 59% of total paid claims for all clinical conditions.

<b>Summary</b>	<b>Total Medical Payments</b>	<b>Medical Payments Inpatient</b>	<b>Medical Payments Outpatient</b>	<b>Admissions Per 1000 Members</b>	<b>Average Length of Stay per Admission</b>	<b>Office Visits Per 1000 Members</b>	<b>ER Visits Per 1000 Members</b>
Top Clinical Conditions	\$73,592,111	\$20,018,971	\$53,375,810	44.35	3.71	5,745.73	101.03
All Clinical Conditions	\$123,485,094	\$34,479,608	\$88,651,884	84.51	3.96	8,427.85	203.15
Top Clinical Conditions as Pct of All Clinical Conditions	59.60%	58.06%	60.21%	52.48%	93.64%	68.18%	49.73%

## Claims Lag Analysis

The following claims lag information is based on medical claims (does not include Rx) incurred January through February 2007.

Plans	Number of Medical Claims	Avg Days Lag Per Claim	% Claims Paid Within 30 Days	% Claims Paid Within 60 Days	% Claims Paid Within 90 Days
Commonwealth Enhanced	504,416	16.7	86.49%	95.34%	98.25%
Commonwealth Essential	8,767	19	82.91%	94.26%	98.20%
Commonwealth Premier	680,454	16.9	86.30%	95.36%	98.30%
Commonwealth Select	10,983	17.7	84.36%	95.24%	98.59%
~Missing*	3,951	27.8	70.01%	84.81%	93.70%
All Plans	1,208,571	16.9	86.29%	95.31%	98.26%

\*Missing means the claims could not be tagged to a specific plan.

The following claims lag information is based on all claims (Medical and Rx) incurred and paid during the most recent rolling year.

Paid	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06
Incurred						
Jun-06	\$43,026,694	\$30,749,516	\$5,714,004	\$2,098,163	\$1,117,327	\$586,940
Jul-06	N/A	\$38,381,466	\$32,900,170	\$4,940,269	\$1,944,501	\$852,145
Aug-06	N/A	N/A	\$45,213,813	\$30,583,989	\$5,336,499	\$2,241,538
Sep-06	N/A	N/A	N/A	\$40,454,408	\$28,271,700	\$4,948,949
Oct-06	N/A	N/A	N/A	N/A	\$46,580,222	\$27,686,628
Nov-06	N/A	N/A	N/A	N/A	N/A	\$43,819,955
Dec-06	N/A	N/A	N/A	N/A	N/A	N/A
Jan-07	N/A	N/A	N/A	N/A	N/A	N/A
Feb-07	N/A	N/A	N/A	N/A	N/A	N/A
Mar-07	N/A	N/A	N/A	N/A	N/A	N/A
Apr-07	N/A	N/A	N/A	N/A	N/A	N/A
May-07	N/A	N/A	N/A	N/A	N/A	N/A

Paid	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07
Incurred						
Jun-06	\$544,921	\$373,832	\$80,576	\$108,512	\$96,276	-\$24,423
Jul-06	\$522,618	\$264,809	\$104,257	\$152,729	\$178,027	\$110,103
Aug-06	\$1,071,890	\$796,623	\$179,170	\$229,836	\$196,945	\$156,517
Sep-06	\$2,146,331	\$832,198	\$681,156	\$444,864	\$78,797	\$32,987
Oct-06	\$6,768,712	\$2,272,198	\$1,038,756	\$374,111	\$315,864	\$314,675
Nov-06	\$32,788,971	\$5,738,706	\$1,922,846	\$1,033,579	\$605,908	\$221,290
Dec-06	\$44,152,401	\$31,923,797	\$5,894,355	\$2,374,453	\$1,011,577	\$546,965
Jan-07	N/A	\$46,939,731	\$29,848,145	\$6,271,762	\$2,381,415	\$978,324
Feb-07	N/A	N/A	\$41,122,455	\$31,104,382	\$4,572,115	\$1,781,365
Mar-07	N/A	N/A	N/A	\$50,544,545	\$32,141,571	\$6,302,658
Apr-07	N/A	N/A	N/A	N/A	\$42,507,670	\$33,125,491
May-07	N/A	N/A	N/A	N/A	N/A	\$46,482,598

## Claims Distribution based on Age/Gender

The following is based on claims incurred January through February 2007.

	Female			Male		
Age Group Medstat	Members Avg	Net Pay Med and Rx	Net Pay Per Member	Members Avg	Net Pay Med and Rx	Net Pay Per Member
Ages < 1	133	\$621,964	\$4,694.07	140	\$1,042,245	\$7,444.61
Ages 1-4	4,530	\$1,504,748	\$332.17	4,807	\$1,924,743	\$400.40
Ages 5-9	6,150	\$1,199,212	\$195.01	6,343	\$1,658,519	\$261.47
Ages 10-14	6,718	\$1,292,760	\$192.43	7,107	\$1,508,084	\$212.21
Ages 15-17	4,644	\$1,425,139	\$306.88	5,024	\$1,517,257	\$302.03
Ages 18-19	3,264	\$962,709	\$294.99	3,378	\$809,906	\$239.76
Ages 20-24	7,018	\$2,410,621	\$343.52	6,425	\$1,705,802	\$265.49
Ages 25-29	8,118	\$4,263,127	\$525.18	3,787	\$1,015,596	\$268.22
Ages 30-34	8,878	\$5,554,992	\$625.74	4,857	\$1,445,755	\$297.69
Ages 35-39	10,863	\$6,435,774	\$592.48	5,656	\$1,993,754	\$352.50
Ages 40-44	11,779	\$7,417,681	\$629.76	6,320	\$3,260,751	\$515.94
Ages 45-49	14,416	\$10,904,592	\$756.42	7,648	\$5,180,546	\$677.42
Ages 50-54	17,669	\$15,164,113	\$858.26	10,102	\$7,817,496	\$773.86
Ages 55-59	19,762	\$20,110,808	\$1,017.68	12,514	\$11,936,048	\$953.82
Ages 60-64	16,086	\$18,804,808	\$1,169.02	10,838	\$14,301,578	\$1,319.64
Ages 65-74	4,212	\$5,099,063	\$1,210.75	3,003	\$4,629,276	\$1,541.81

MISSING: Net Payment of \$80,225.42

## Allowed Amount Distribution

The following shows the distribution of members with allowed amount of charges within specified ranges for 2005, 2006 and Year-to-Date for 2007. The distribution is based on incurred claims.

Allowed Amount	2005	2006	2007
less than 0.00	90	4	0
\$0.00 - \$499.99	50,002	54,089	115,227
\$500.00 - \$999.99	29,232	32,843	31,450
\$1,000.00 - \$1,999.99	35,407	40,305	18,606
\$2,000.00 - \$4,999.99	47,471	54,362	11,257
\$5,000.00 - \$9,999.99	26,210	30,321	3,809
\$10,000.00 - \$14,999.99	9,138	10,570	1,096
\$15,000.00 - \$19,999.99	4,055	4,715	519
\$20,000.00 - \$29,999.99	3,539	4,241	476
\$30,000.00 - \$49,999.99	2,312	2,832	306
\$50,000.00 - \$74,999.99	932	1,088	120
\$75,000.00 - \$99,999.99	390	466	32
\$100,000.00 - \$149,999.99	299	351	27
\$150,000.00 - \$199,999.99	116	109	8
\$200,000.00 - \$249,999.99	57	68	2
over \$249,999.99	74	92	2
Total	209,324	236,456	182,937



## Summary of Enrollment and Claims

The following provides a summary of members, incurred medical claims, and incurred Rx claims for the most recent rolling year.

Time Period	Members	Net Pay Med and Rx	Net Pay Med	Net Pay Rx	Claims Paid	Claims Paid Med	Scripts Rx
Mar-06	234,241	\$84,864,824	\$64,480,311	\$20,384,513	702,894	290,686	405,783
Apr-06	234,589	\$74,208,075	\$55,771,822	\$18,436,253	605,144	244,118	354,977
May-06	234,695	\$83,959,492	\$63,633,827	\$20,325,664	664,452	269,291	388,409
Jun-06	234,830	\$84,472,339	\$64,983,797	\$19,488,542	652,820	275,171	371,032
Jul-06	235,112	\$80,351,093	\$61,412,957	\$18,938,136	635,120	262,683	365,209
Aug-06	233,040	\$86,006,820	\$65,702,544	\$20,304,276	674,494	278,088	386,900
Sep-06	233,806	\$77,891,389	\$58,445,582	\$19,445,808	635,440	248,801	379,157
Oct-06	238,697	\$85,351,167	\$64,734,909	\$20,616,257	692,531	285,464	400,108
Nov-06	239,513	\$86,131,254	\$65,309,168	\$20,822,085	698,585	287,575	403,968
Dec-06	239,277	\$85,903,548	\$64,555,230	\$21,348,318	688,920	265,933	415,943
Jan-07	241,464	\$86,419,377	\$64,686,088	\$21,733,289	736,485	296,049	432,627
Feb-07	241,625	\$78,580,317	\$58,799,006	\$19,781,311	656,033	259,747	389,694

NOTE: Includes run out data from all Carriers

The following illustrates the change in incurred claims amounts (includes medical and Rx) by rolling year.

Incurred Rolling Years	Members	Total Medical and Rx Claims	Total Medical Claims	Total RX Claims
Mar 2005 - Feb 2006	231,191	\$838,663,262	\$649,002,832	\$190,456,982
Mar 2006 - Feb 2007	237,385	\$994,140,090	\$752,515,242	\$241,624,848
% Change (Roll Yrs)	2.70%	18.50%	15.90%	26.90%